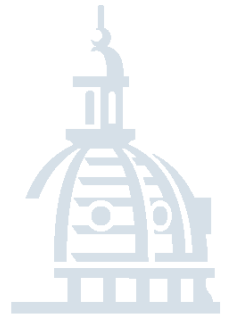


FISCAL UPDATE Article

Fiscal Services Division

April 27, 2017



END OF SESSION – HF 233 – STEP THERAPY INSURANCE COVERAGE

Description: [House File 233](#) relates to the use of step therapy protocols for prescription drugs by health insurance carriers, health benefit plans, and utilization review organizations. The legislation defines “step therapy protocol” and provides that when such a protocol is in use, the participating individual or the prescribing health care professional must have a clear and readily accessible “step therapy override exception” process, which authorizes the expedited coverage of a prescription drug selected by the prescribing health care professional, based on the review of the exception request along with supporting rationale and documentation. Additionally, HF 233 also updates the definition of “health carrier” to exclude the three major Managed Care Organizations (MCOs) that currently contract with the State of Iowa to provide Medicaid-related services.

Fiscal Impact: As the legislation defines a “health carrier” subject to the procedure of the step therapy override exceptions to exclude the three major MCOs contracting with the State of Iowa to provide Medicaid-related services, HF 233 is not estimated to have a significant fiscal impact on the State of Iowa.

Enactment Date: The legislation was approved by the General Assembly on April 12, 2017, and is currently awaiting approval in the Governor’s office.

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